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FUNDING No.1 LTD

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

For the Year Ended

31 March 2024

Wheatley Funding No. 1 Limited

Registered number SC469961

Wheatley Funding No. 1 Limited **Annual report and financial statements for the year ended 31 March 2024**

DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements for the year ended 31 March 2024.

OPERATING REVIEW

Principal activities

The principal activity of Wheatley Funding No. 1 Limited is the administration of the Wheatley Group loan facilities agreement. The loan facility finances the Group's Registered Social Landlord subsidiaries ("RSL subsidiaries"). The Company is limited by guarantee and has no share capital.

Business review

The Company is a wholly owned subsidiary of the Wheatley Housing Group Limited. During the year it administered the banking facilities for Wheatley Group's RSL subsidiaries and for the Groups development company which provides design and build services to the Group's RSLs, collectively referred to as the "RSL Borrower Group". At 31 March 2024, the RSL Borrower Group comprises of Wheatley Homes Glasgow Limited, Wheatley Homes East Limited, Wheatley Homes South Limited, Loretto Housing Association Limited and Wheatley Developments Scotland Limited.

During the year the Company has recharged the Group's RSL Borrower Group subsidiaries for banking fees incurred and for the administration of the loan facility and for the bond finance.

Proposed dividend

The directors do not recommend payment of a dividend.

Directors and directors' interests

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

Caroline Gardner CBE
Eric Gibson
Iain Macaulay – appointed 26 August 2024
Pauline Turnock

None of the Directors who held office at the end of the financial year had any disclosable interest in the shares of the Company.

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DIRECTORS' REPORT (continued)

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Independent auditor

In accordance with Section 489 of the Companies Act 2006, a resolution for the re-appointment of KPMG LLP as auditor is to be proposed at the forthcoming Annual General Meeting.

Basis of preparation

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. As such, the company has taken exemption from preparing a strategic report.

FINANCIAL REVIEW

Turnover

Turnover for the year ended 31 March 2024 was £2,040k (2023: £2,694k) for the Company. This was, in the main, generated through charges to the members of the RSL Borrower Group of bank commitment fees incurred.

Expenditure

Administrative expenses incurred for the year of £2,035k (2023: £2,689k) comprised the cost of bank commitment fees levied by the lenders.

Finance income and costs

Net Finance costs incurred on the Company borrowings for the year of £63,079k (2023: £56,183k) were charged to the members of the RSL Borrower Group.

Statement of Financial Position

At 31 March 2024, the company reported net assets of £28k (2023: £24k) representing accumulated revenue reserves. Long term creditors of £1,401,200k (2023: £1,352,884k) relate to the borrowings under the banking facilities due in more than one year. The company has net current assets of £38,720k (2023: £48,780k) which in addition to cash balances of £8,359k (2023: £11,182k) includes £33,503k (2023: £16,384k) of borrowings due to be repaid within one year and short-term creditors due to other group undertakings of £4,586k (2023: £4,632k).

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DIRECTORS' REPORT (continued)

Going concern

As a special purpose vehicle set up to administer the Wheatley Group housing loans for the RSL subsidiaries, the financial viability of the Company reflects that of the RSL subsidiaries. The RSL subsidiaries have access to sufficient funds to meet their current liabilities as they fall due. There are therefore no material uncertainties related to events or conditions that cast significant doubt upon the Company's ability to continue as a going concern.

On behalf of the Board

Signed by:

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Caroline Gardner CBE
Director
16 September 2024

Wheatley House
25 Cochrane Street
Glasgow G1 1HL

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Annual report and financial statements for the year ended 31 March 2024

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHEATLEY FUNDING NO.1 LIMITED

Opinion

We have audited the financial statements of Wheatley Funding No.1 Limited ("the Company") for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, Changes in Equity, Statement of Financial Position and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2024 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of board members and management as to the company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual suspected or alleged fraud and
- Reading of board minutes

As required by auditing standards and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHEATLEY FUNDING NO.1 LIMITED (CONTINUED)

On this audit we do not believe there is a fraud risk related to revenue recognition because of the limited opportunity and incentive for fraudulent revenue recognition and the limited judgement in respect of revenue recognition. We did not identify any additional fraud risks.

We performed procedures including the identification of journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. Due to the limited number of journal entries made in the financial year due to the inherent nature of the Company, no journals were identified after applying our high risk criteria, hence we have tested 5 journals posted in the year covering finance charges with no issues to note.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards) and from inspection of the Company's regulatory and legal correspondence; and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHEATLEY FUNDING NO.1 LIMITED (CONTINUED)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Dawson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

One Snowhill, Snow Hill Queensway

Birmingham

B4 6GH

24 September 2024

Wheatley Funding No. 1 Limited
Annual report and financial statements for the year ended 31 March 2024

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £000	2023 £000
Turnover		2,040	2,694
Administrative expenses	3	<u>(2,035)</u>	<u>(2,689)</u>
Operating profit		5	5
Finance income	6	63,079	56,183
Finance costs	7	<u>(63,079)</u>	<u>(56,183)</u>
Profit before taxation		5	5
Tax on profit	8	(1)	(1)
Profit for the financial year		<u>4</u>	<u>4</u>
Other comprehensive income		-	-
Total comprehensive result for the financial year		<u>4</u>	<u>4</u>

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

	Revenue Reserve £000	Total Equity £000
Balance at 1 April 2022	20	20
Profit for the financial year	<u>4</u>	<u>4</u>
Balance at 31 March 2023	24	24
Profit for the financial year	<u>4</u>	<u>4</u>
Balance at 31 March 2024	<u>28</u>	<u>28</u>

All amounts relate to continuing operations for the current year.

The notes on pages 11 to 17 form part of these financial statements.

Wheatley Funding No. 1 Limited
Annual report and financial statements for the year ended 31 March 2024

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	Note	2024	2023
		£000	£000
Fixed Assets:			
Investments	9	12	12
Debtors: amounts falling due after more than one year	10	1,362,496	1,304,116
Current assets:			
Debtors falling due within one year	11	72,731	59,268
Cash and cash equivalents		8,359	11,182
		<u>81,090</u>	<u>70,450</u>
Creditors: amounts falling due within one year	12	<u>(42,370)</u>	<u>(21,670)</u>
Net current assets		38,720	48,780
Total assets less current liabilities		1,401,228	1,352,908
Creditors: amounts falling due after more than one year	13	(1,401,200)	(1,352,884)
Net assets		<u>28</u>	<u>24</u>
Capital and reserves			
Called up share capital		-	-
Revenue reserve	14	28	24
Total reserves		<u>28</u>	<u>24</u>

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

These financial statements were approved by the board of directors on 26 August 2024 and signed on its behalf on 16 September 2024 by:

Signed by:

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Caroline Gardner CBE
 Director

The notes on pages 11 to 17 form part of these financial statements

Company number SC469961

Wheatley Funding No. 1 Limited **Annual report and financial statements for the year ended 31 March 2024**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1 Legal status

Wheatley Funding No. 1 Limited (“WFL1” or “the Company”) is a wholly owned subsidiary of Wheatley Housing Group Ltd (“WHG”). The Company is incorporated in the UK and registered under the Companies Act 2006.

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the company’s financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules, on a going concern basis and in accordance with the Companies Act 2006 and applicable accounting standards in United Kingdom and FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”.

Under FRS 102 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a qualifying entity and its parent undertaking includes the Company in its own published consolidated financial statements.

Consolidated financial statements for WFL1 and its subsidiary Wheatley Group Capital plc have not been prepared by virtue of s400 of the Companies Act 2006, on the basis that both companies are included in the consolidated financial statements of the ultimate parent organisation, Wheatley Housing Group Limited.

Going concern

The financial statements have been prepared on a going concern basis which the Board considers to be appropriate for the following reasons.

In order to settle its own financial obligations and meet the compliance requirements of its external borrowings the Company is dependent on the RSL Borrower Group generating sufficient cashflows to settle the payments of principal and interest on the onward loan of the funding which the Company raised. Those forecasts are dependent on the RSL Borrower having adequate resources to continue in business over the going concern assessment period.

The Group prepares a 30-year business plan which is updated and approved on an annual basis. The most recent business plan was approved in February 2024 by the Board. As well as considering the impact of a number of scenarios on the business plan the Board also adopted a stress testing framework against the base plan. The stress testing impacts were measured against loan covenants and peak borrowing levels compared to agreed facilities, with potential mitigating actions identified to reduce expenditure.

The Board, after reviewing the Group and Company budgets for 2024/25 and the Company’s financial position as forecast in the 30-year business plan, is of the opinion that, taking account of severe but plausible downsides, the Group and Company have adequate resources to continue to meet their liabilities over the period of 12 months from the date of approval of the financial statements (the going concern assessment period). In reaching this conclusion, the Board has considered the following factors:

- Rent and service charge receivable – arrears and bad debt assumptions have been increased to allow for customer difficulties in making payments and budget and business plan scenarios have been updated to take account of potential future changes in rent increases;

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

2 Accounting policies (continued)

- Development activity – budget and business plan scenarios have taken account of fluctuating labour costs, project delays, supply chain instability and availability of grant funding impacting new build handovers;
- Maintenance costs – budget and business plan scenarios have been modelled to take account of a revised profile of repairs and maintenance expenditure including the effect of inflation and increased demand;
- Investment in existing homes– forecast expenditure has been remodelled to take account of additional investment spend;
- Liquidity – current available cash of £8.4m and access to undrawn loan facilities of £234.8m, gives significant headroom for committed expenditure and other forecast cash flows over the going concern assessment period;
- The Group and Company’s ability to withstand other adverse scenarios such as higher interest rates, and inflation.

The Board believe the Group and Company have sufficient funding in place and expect the Group and Company to be in compliance with its debt covenants even in severe but plausible downside scenarios.

Consequently, the Board is confident that the Group and Company will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Related party disclosures

The Company is a wholly-owned subsidiary of Wheatley Housing Group Limited and is included within the consolidated financial statements of Wheatley Housing Group Limited which are publicly available. Consequently, the Company has taken advantage of the exemption, under the terms of FRS 102, from disclosing related-party transactions with wholly owned entities that are part of the Wheatley Housing Group.

Turnover

Turnover represents income from management fees charged to the RSL subsidiaries in the UK.

Bank fees

Bank arrangement fees incurred on establishing the company’s loan facility and on the 2010 restructuring of the loan facility, are passed onto the RSL subsidiaries and amortised over the projected period of the loan drawdown by the RSL subsidiaries. Other transactional bank fees are expensed and recovered from the RSL subsidiaries in the year in which they arise.

Finance income and finance costs

Interest receivable from group companies and payable to the funding syndicate and bond holders is recognised in the year in which it arises including fees associated with changes to the basis of charging interest.

Wheatley Funding No. 1 Limited
Annual report and financial statements for the year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

2 Accounting policies (continued)

Creditors

Balances due on bank loans and on intra-group lending from Wheatley Group Capital plc are on-lent to the RSL subsidiaries who are related Group companies. No interest is charged by the company to the RSL subsidiaries over and above that payable to the funding syndicate and Wheatley Group Capital plc.

Financial instruments

The Company has elected to apply FRS 102 Section 11 and Section 12 in accounting for financial instruments. FRS 102 requires some financial instruments to be carried at fair value. Bank loans are classed as either basic or complex financial instruments. Loans that are classed as basic under the requirements of FRS 102, are measured at amortised cost. Loans classed as complex are carried at fair value. The fair value of complex financial instruments are provided by an independent professional advisor and are determined using valuation techniques that use primarily observable inputs such as short term rates, futures, swap rates, implied volatilities and market credit spreads for similar credit worthiness instruments. All loans are classed as basic.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the date of the Statement of Financial Position, except as otherwise required by FRS 102.

Value Added Tax

The company is not registered for VAT. Expenditure with irrecoverable VAT is shown inclusive of VAT.

3 Administrative expenses

	2024	2023
	£000	£000
Bank commitment, audit and administrative fees	2,035	2,689

The Company has no employees (2023: nil).

4 Auditors remuneration

	2024	2023
	£000	£000
The remuneration of the Auditor (excluding VAT) is as follows:		
- audit of these financial statements	15	15

5 Remuneration of directors

No remuneration was paid to the directors during the period (2023: nil).

Wheatley Funding No. 1 Limited
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

6 Finance income

	2024	2023
	£000	£000
Receivable from group undertakings	62,806	55,866
Bank interest receivable on deposits in the year	273	317
	<u>63,079</u>	<u>56,183</u>

7 Finance costs

	2024	2023
	£000	£000
On bank loans	49,954	43,058
Payable to group undertakings	13,125	13,125
	<u>63,079</u>	<u>56,183</u>

8 Tax on profit

	2024	2023
	£000	£000
Analysis of charge in year:		
<u>Current tax</u>		
Current tax on income for the year	1	1
	<u>1</u>	<u>1</u>

Factors affecting the tax charge for the current and previous years

The current tax charge for small companies is equal to the standard rate of corporation tax in the UK of 25% (2023: 19%) as explained below.

	2024	2023
	£000	£000
Reconciliation of effective tax rate:		
Profit for the year	4	4
Total tax expense	1	1
Profit excluding taxation	<u>5</u>	<u>5</u>
Tax using the UK corporation tax rate of 25% (2023:19%)	1	1
Total tax expense included in profit or loss	<u>1</u>	<u>1</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

9 Investments

	2024	2023
	£000	£000
Investment in subsidiary undertaking	12	12
	12	12
	12	12

The Company has one immediate wholly owned subsidiary, Wheatley Group Capital plc. This subsidiary is a vehicle for raising bond finance for the Wheatley Housing Group.

10 Debtors: amounts falling due after more than one year

	2024	2023
	£000	£000
Amounts owed by group undertakings	1,362,496	1,304,116
Of which:		
Debts falling due for repayment on an instalment basis in more than one year and less than 5 years	96,060	138,927
Debts falling due for repayment on a non-instalment basis in more than one year and less than 5 years	50,000	15,000
Debts falling due for repayment on an instalment basis after 5 years	577,436	551,189
Debts falling due for repayment on a non-instalment basis after 5 years	639,000	599,000

11 Debtors: amounts falling due within one year

	2024	2023
	£000	£000
Other debtors	31	-
Amounts owed by group undertakings	72,700	59,268
	72,731	59,268
	72,731	59,268

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Wheatley Funding No. 1 Limited
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

12 Creditors: amounts falling due within one year

	2024	2023
	£000	£000
Corporation tax	1	1
Bank loans and intergroup loans	33,503	16,384
Accruals	4,280	653
Amounts owed to group undertakings	4,586	4,632
	<u>42,370</u>	<u>21,670</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

13 Creditors: amounts falling due after more than one year

	2024	2023
	£000	£000
Bank loans and intergroup loans	1,101,200	1,052,884
Loan from subsidiary undertaking	300,000	300,000
	<u>1,401,200</u>	<u>1,352,884</u>

Bank lending facility

The bank loans are secured over the housing stock and certain other properties of RSL subsidiaries. All loans are repayable by instalments and are secured by way of standard securities or other charges on certain of the RSL Borrowers' properties.

As at 31 March 2024, £1,210.9m (2023: £1,187.2m) of the loans were at fixed rates for a period of one year or more. The weighted average rate of interest was 4.64% (2023: 4.15%). The loans are currently at rates between 1.425% and 7.02% (2023: 1.425% and 6.36%). A new £40m fixed rate loan with Allia under the Scottish Government Charitable Bond Programme was drawn in October 2023.

The Company's activities expose it to interest rate risk. The Company has hedged the interest rate risk by way of embedded fixed rate loans or with fixed interest coupons. The financial instruments are not used for speculative purposes.

Borrowings are repayable as follows:	2024	2023
	£000	£000
In less than one year	33,503	16,384
Between one and five years	252,022	138,927
In more than five years	1,149,178	1,213,957
	<u>1,434,703</u>	<u>1,369,268</u>

Wheatley Funding No. 1 Limited
Annual report and financial statements for the year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

13 Creditors: amounts falling due after more than one year (continued)

The carrying value of financial assets and liabilities include:

	2024	2023
	£000	£000
Assets measured amortised cost	1,443,598	1,374,578
Liabilities measured at amortised cost	1,443,570	1,374,554

14 Revenue reserve

	2024	2023
	£000	£000
Opening reserves at 1 April	24	20
Profit for the financial year	4	4
Closing reserves at 31 March	28	24

15 Ultimate parent organisation

The Company is a subsidiary undertaking of the Wheatley Housing Group Limited, a company limited by guarantee and registered in Scotland.

The only group into which the results of the Company are consolidated is Wheatley Housing Group Limited. The consolidated financial statements of Wheatley Housing Group Limited may be obtained from the registered office at Wheatley House, 25 Cochrane Street, Glasgow, G1 1HL.

Wheatley Funding No. 1 Limited
Annual report and financial statements for the year ended 31 March 2024

SUPPLEMENTARY INFORMATION

Secretary and Registered Office

Anthony Allison
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